

ORIGINAL

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form ACO-1

June 2009

Form Must Be Typed

Form must be Signed

All blanks must be Filled

WELL COMPLETION FORM  
WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # 30742

Name: Palomino Petroleum, Inc.

Address 1: 4924 SE 84th St. Newton

Address 2:

City: Newton State: KS Zip: 67114 + 8 8 2 7

Contact Person: Klee R. Watchous

Phone: (316) 799-1000

CONTRACTOR: License # 33575

Name: WW Drilling, L.L.C.

Wellsite Geologist: Nicholas P. Gerstner

Purchaser: NCRA

Designate Type of Completion:

- New Well       Re-Entry       Workover
- Oil       WSW       SWD       SIOW
- Gas       D&A       ENHR       SIGW
- OG       GSW       Temp. Abd.
- CM (Coal Bed Methane)
- Cathodic       Other (Core, Expl., etc.):

If Workover/Re-entry: Old Well Info as follows:

Operator:

Well Name:

Original Comp. Date: Original Total Depth:

- Deepening       Re-perf.       Conv. to ENHR       Conv. to SWD
- Conv. to GSW

Plug Back: Plug Back Total Depth

Commingled      Permit #:

Dual Completion      Permit #:

SWD      Permit #:

ENHR      Permit #:

GSW      Permit #:

8/20/11      8/29/11      8/29/11

Spud Date or      Date Reached TD      Completion Date or  
Recompletion Date      Recompletion Date

API No. 15 - 171-20828 . 00 . 00

Spot Description:

NE SW SE NW Sec. 24 Twp. 19 S. R. 32  East  West

2270 2249 Feet from  North /  South Line of Section

1784 1818 Feet from  East /  West Line of Section

Footages Calculated from Nearest Outside Section Corner:

- NE       NW       SE       SW

County: Scott

Lease Name: Vulgamore Cattle Co. Well #: 1

Field Name: Unnamed

Producing Formation: Lansing

Elevation: Ground: 2983 Kelly Bushing: 2988

Total Depth: 4952 Plug Back Total Depth:

Amount of Surface Pipe Set and Cemented at: 218 Feet

Multiple Stage Cementing Collar Used?  Yes  No

If yes, show depth set: 2256 Feet

If Alternate II completion, cement circulated from: 2256

feet depth to: surface w/ 200 sx crnt.

Drilling Fluid Management Plan

(Data must be collected from the Reserve Pit)

Chloride content: ppm Fluid volume: bbls

Dewatering method used:

Location of fluid disposal if hauled offsite:

Operator Name:

Lease Name: License #:

Quarter Sec. Twp. S. R.  East  West

County: Permit #:

**INSTRUCTIONS:** An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

AFFIDAVIT

I am the affiant and I hereby certify that all requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Signature: *Klee R. Watchous*

Title: President Date: 11/11/11

KCC Office Use ONLY

Letter of Confidentiality Received  
Date:

Confidential Release Date:

Wireline Log Received

Geologist Report Received

UIC Distribution

ALT  I  II  III Approved by: *Dg* Date: 11/22/11

Operator Name: Palomino Petroleum, Inc. Lease Name: Vulgamore Cattle Co. Well #: 1

Sec. 24 Twp. 19 S. R. 32  East  West County: Scott

**INSTRUCTIONS:** Show important tops and base of formations penetrated. Detail all cores. Report all final copies of drill stems tests giving interval tested, time tool open and closed, flowing and shut-in pressures, whether shut-in pressure reached static level, hydrostatic pressures, bottom hole temperature, fluid recovery, and flow rates if gas to surface test, along with final chart(s). Attach extra sheet if more space is needed. Attach complete copy of all Electric Wire-line Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken  Yes  No  
(Attach Additional Sheets)

Samples Sent to Geological Survey  Yes  No

Cores Taken  Yes  No

Electric Log Run  Yes  No

Electric Log Submitted Electronically  Yes  No  
(If no, Submit Copy)

List All E. Logs Run:

**Dual Induction, Compensated Neutron/Density**

<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Name	Top	Datum
Anhy.	2250	(+ 738)
Base Anhy.	2314	(+ 674)
Howard	3648	(- 660)
Topeka	3686	(- 698)
Heebner	3940	(- 952)
Lansing	3982	(- 994)
Stark	4278	(-1290)

**CASING RECORD**  New  Used

Report all strings set-conductor, surface, intermediate, production, etc.

Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
Surface	12 1/4"	8 5/8"	23#	218'	Common	160	2% gel, 3% c.c.
Production	7 7/8"	5 1/2"	14#	4939'	SMD	70	500 gal. mud flush
					EA-2	125	w/add. & 20 bbls. KCL water

**ADDITIONAL CEMENTING / SQUEEZE RECORD**

Purpose:	Depth Top Bottom	Type of Cement	# Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate <input type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone				

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**NOV 14 2011**  
**KCC WICHITA**

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth
4	4618-4621		
4	4642-4646	Acidized 300 gal. 20% MCA, 2% ms.	
4	4325-4328	Acidized 300 gal. 15% MCA, 2% ms.	
	Set Bridge Plug @ 4604'		

**TUBING RECORD:** Size: 2 7/8" Set At: 4901' Packer At: \_\_\_\_\_ Liner Run:  Yes  No

Date of First, Resumed Production, SWD or ENHR. 9/30/11  
Producing Method:  Flowing  Pumping  Gas Lift  Other (Explain) \_\_\_\_\_

Estimated Production Per 24 Hours	Oil	Bbls.	Gas	Mcf	Water	Bbls.	Gas-Oil Ratio	Gravity
	28%	28			72%	72		

<b>DISPOSITION OF GAS:</b> <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease (If vented, Submit ACO-18.)	<b>METHOD OF COMPLETION:</b> <input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. (Submit ACO-5) <input type="checkbox"/> Commingled (Submit ACO-4) <input type="checkbox"/> Other (Specify) _____	<b>PRODUCTION INTERVAL:</b> _____ _____
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**LOGS**

BKC	4396	(-1408)
Marmaton	4420	(-1432)
Pawnee	4500	(-1512)
Ft. Scott	4545	(-1557)
Johnson	4604	(-1616)
St. Genevieve	4662	(-1674)
St. Louis	4736	(-1748)
LTD	4952	(-1964)

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# SWIFT



Services, Inc.

P. O. Box 466  
Ness City, KS 67560  
Off: 785-798-2300



## Invoice

DATE	INVOICE #
9/13/2011	21096

BILL TO
Palomino Petroleum Inc. 4924 S E 84th Street Newton, KS 67114-8827

RECEIVED • Acidizing  
SEP 15 2011 • Cement  
• Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	Vulgamore C...	Scott	DS&W Well Servi...	Oil	Development	Acidize Perfs	Blaine

PRICE REF.	DESCRIPTION	QTY	UM	UNIT PRICE	AMOUNT
500D	Mileage - 1 Way	50	Miles	6.00	300.00
501D	Acid Pump Charge	1	Job	650.00	650.00
303 - 15%	MCA Acid	300	Gallons	1.85	555.00
232	Musal ESA-64	6	Gallon(s)	18.00	108.00
249	STR-1 (Pen 88)	1	Gallon(s)	40.00	40.00
235	INH.1 ESA-28	1	Gallon(s)	35.00	35.00
221	Liquid KCL (Clayfix)	2	Gallon(s)	25.00	50.00
	Subtotal				1,738.00
	Sales Tax Scott County			8.30%	0.00

RECEIVED  
NOV 14 2011  
KCC WICHITA

<b>We Appreciate Your Business!</b>	<b>Total</b>	\$1,738.00
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CHARGE TO: Palumbo Petroleum  
 ADDRESS:  
 CITY, STATE, ZIP CODE:

TICKET  
21096

PAGE 1 OF 1

SERVICE LOCATIONS: 1. Ness City KS WELL/PROJECT NO. #1 LEASE Vulgamore Cattle Co COUNTY/PARISH Scott STATE KS CITY Scott City DATE 9-13-11 OWNER  
 2. TICKET TYPE  SERVICE  SALES CONTRACTOR DSEU RIG NAME/NO. SHIPPED VIA CT DELIVERED TO location ORDER NO.  
 3. WELL TYPE 0.1 WELL CATEGORY Development JOB PURPOSE acidize pay s WELL PERMIT NO. WELL LOCATION  
 4. REFERRAL LOCATION INVOICE INSTRUCTIONS

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		U/M		UNIT PRICE	AMOUNT	
		LOC	ACCT	DF								
500		1			MILEAGE TRK 114	50	mi			6.00	300.00	
501		1			Pump Charge	1	ea			650.00	650.00	
303		1			MCA ARID	300	gal	15	%	1.85	555.00	
232		1			mesol	6	gal			18.00	108.00	
249		1			STR-1	1	gal			40.00	40.00	
235		1			inhib-1	1	gal			35.00	35.00	
221		1			KCL liquid	2	gal			25.00	50.00	

RECEIVED  
NOV 14 2011  
KCC WICHITA

**LEGAL TERMS:** Customer hereby acknowledges and agrees to the terms and conditions on the reverse side hereof which include, but are not limited to, **PAYMENT, RELEASE, INDEMNITY, and LIMITED WARRANTY** provisions.

MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

X Rud Shreber  
 DATE SIGNED TIME SIGNED  A.M.  P.M.  
1700

REMIT PAYMENT TO:  
 SWIFT SERVICES, INC.  
 P.O. BOX 466  
 NESS CITY, KS 67560  
 785-798-2300

SURVEY	AGREE	UN-DECIDED	DIS-AGREE	PAGE TOTAL
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				1738.00
WE UNDERSTOOD AND MET YOUR NEEDS?				
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				
ARE YOU SATISFIED WITH OUR SERVICE?	<input type="checkbox"/> YES	<input type="checkbox"/> NO		
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND				TOTAL 1738.00

Scott TAX 8.3%

**CUSTOMER ACCEPTANCE OF MATERIALS AND SERVICES** The customer hereby acknowledges receipt of the materials and services listed on this ticket.

SWIFT OPERATOR ABC APPROVAL

Thank You!

JOB LOG

SWIFT Services, Inc.

DATE 13 SEP 11 PAGE NO.

CUSTOMER Palomero Petroleum WELL NO. #1 LEASE Vulgamore Cattle Co JOB TYPE acidize perf's TICKET NO. 21096

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
								300 gal MCA 15% w/ 2% MUSA 2 1/2" perf's 4325-28' (18 bbl KCL) Packer treat 4295 spot 4327
	1600							on loc TRK 114
	1610							tag fluid 3500'
	1620		7 1/2				Ø	Spot 7 1/2 bbl (7 acid + 1/2 H <sub>2</sub> O)
	1625	3					Ø	start drawhole w/ flush
			21				Ø	Kickout - tubing on vacuum 21 total fluid
	1635		32				Ø	on vacuum (1/2 bpm) { 32 bbl load }
								Back up
								job complete
								Thanks
								Dave & Blair

RECEIVED  
NOV 14 2011  
KCC WICHITA



P. O. Box 466  
 Ness City, KS 67560  
 Off: 785-798-2300



# Invoice

DATE	INVOICE #
9/12/2011	22244

BILL TO
Palomino Petroleum Inc. 4924 S E 84th Street Newton, KS 67114-8827

RECEIVED

SEP 14 2011

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	Vulgamore C...	Scott	DS&W Well Servi...	Oil	Development	Acidize Formation	Dusty
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
500D	Mileage - 1 Way				50	Miles	6.00	300.00
501D	Acid Pump Charge				1	Job	650.00	650.00
303 - 20%	MCA Acid				300	Gallons	2.25	675.00
232	Musal ESA-64				6	Gallon(s)	18.00	108.00
235	INH.1 ESA-28				1	Gallon(s)	35.00	35.00
	Subtotal							1,768.00
	Sales Tax Scott County						8.30%	0.00

RECEIVED  
 NOV 14 2011  
 KCC WICHITA

<b>We Appreciate Your Business!</b>	<b>Total</b>	\$1,768.00
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CHARGE TO: PALOMENO PETROLEUM  
 ADDRESS \_\_\_\_\_  
 CITY, STATE, ZIP CODE \_\_\_\_\_

TICKET N<sup>o</sup> 22244

PAGE 1 OF 1

1. SERVICE LOCATIONS <u>NESS CITY KS</u>	WELL/PROJECT NO. #1	LEASE <u>CATTLE Co.</u>	COUNTY/PARISH <u>SCOTT Co.</u>	STATE <u>KS.</u>	CITY <u>GRIFFIN KS.</u>	DATE <u>09/2/11</u>	OWNER
2.	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR <u>DS &amp; W</u>	RIG NAME/NO. <u>JEM</u>	SHIPPED VIA	DELIVERED TO <u>SW. 6 1/2 S., E. 1 N.</u>	ORDER NO. <u>INTD</u>	
3.	WELL TYPE <u>DIL WELL</u>	WELL CATEGORY <u>DEVELOPMENT</u>	JOB PURPOSE <u>ACIDIZE FORMATION</u>	WELL PERMIT NO.	WELL LOCATION <u>See 24-195-32W</u>		
4. REFERRAL LOCATION	INVOICE INSTRUCTIONS						

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		U/M		UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
500		1			MILEAGE 107	1	@	50	mi	6.00	300.00
501		1			ACID Pump Charge	1	@			650.00	650.00
303		1			MCA ACID	300	gal	20	%	2.25	675.00
232		1			Musa	6	gal	2	%	18.00	108.00
235		1			INITIERS-1	1	gal			35.00	35.00

RECEIVED  
 NOV 14 2011  
 KCC WICHITA

**LEGAL TERMS:** Customer hereby acknowledges and agrees to the terms and conditions on the reverse side hereof which include, but are not limited to, **PAYMENT, RELEASE, INDEMNITY, and LIMITED WARRANTY** provisions.

MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

x Paul Shuck  
 DATE SIGNED 09/12/11 TIME SIGNED 16:30  A.M.  P.M.

**REMIT PAYMENT TO:**

**SWIFT SERVICES, INC.**  
 P.O. BOX 466  
 NESS CITY, KS 67560  
 785-798-2300

<b>SURVEY</b>	AGREE	UN-DECIDED	DIS-AGREE	<b>PAGE TOTAL</b>	1768.00
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?					
WE UNDERSTOOD AND MET YOUR NEEDS?					
OUR SERVICE WAS PERFORMED WITHOUT DELAY?					
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				Scott TAX 8.3%	
ARE YOU SATISFIED WITH OUR SERVICE?	<input type="checkbox"/> YES <input type="checkbox"/> NO			<b>TOTAL</b>	1768.00
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND					

**CUSTOMER ACCEPTANCE OF MATERIALS AND SERVICES:** The customer hereby acknowledges receipt of the materials and services listed on this ticket.

SWIFT OPERATOR DUSTY D. TRUK

APPROVAL

Thank You!



**JOB LOG**

**SWIFT Services, Inc.**

DATE 09/21/11 PAGE NO. 1

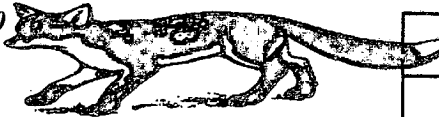
CUSTOMER		WELL NO.		LEASE		JOB TYPE		TICKET NO.	
PILGRIMO PETROLEUM		# 1		Vulgamore CatCo		ACIDIZE FORMATION		22244	
CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS	
				T	C	TUBING	CASING		
	1446								ON LOCATION DS:W MOUNTAIN TOOLS.
									TRAIL PERFS. 4642'-46'
									FIGHT SPOT 4645'
									2 7/8 x 5 1/2 TREAT 4639'
									CS. 7' .1666 Bbl
									TR. 4639' 26.85981 Bbl
									TOTAL 27.02641 Bbl
	1540	3-0	14.5	✓		0-VAC			SPOTTED ALLEN + 7 1/2 Bbl FRESH KCL
	1552	3	14.75	✓		0			START PUMPING.
	1555	4-0	26	✓		VAC			SHUT DOWN & LET LOAD
	1536	0	27	✓		VAC			
	1557	0	28	✓		0			LOADED
	1558	.25	28.25	✓		150			TREATING
	11600	.25	28.75	✓		250			"
	11603	.25	29.50	✓		300			"
	11609	.25	31	✓		200			"
	11614	.25	32	✓		75	BLOW		" COMMUNICATED
	11616	0	34	✓		VAC	BLOW		"
									REU DOWN
									TICKET
	11629								Job Completed
									RECEIVED
									NOV 14 2011
									KCC WICHITA
									THANK YOU DUSTY & RUSSELL

# SWIFT



*Services, Inc.*

P. O. Box 466  
Ness City, KS 67560  
Off: 785-798-2300



## Invoice

DATE	INVOICE #
9/6/2011	22260

BILL TO
Palomino Petroleum Inc. 4924 S E 84th Street Newton, KS 67114-8827

RECEIVED  
SEP 09 2011

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30		Vulgamore C...	Scott	DS&W Well Servi...	Oil	Development	Cement Port Collar	Jason
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				65	Miles	6.00	390.00
576D-D	Pump Charge - Port Collar				1	Job	1,250.00	1,250.00
105	Port Collar Tool Rental With Man				1	Each	350.00	350.00T
290	D-Air				1.5	Gallon(s)	35.00	52.50T
276	Flocele				34	Lb(s)	2.00	68.00T
330	Swift Multi-Density Standard (MIDCON II)				135	Sacks	16.50	2,227.50T
581D	Service Charge Cement				250	Sacks	2.00	500.00
583D	Drayage				809.67	Ton Miles	1.00	809.67
	Subtotal							5,647.67
	Sales Tax Scott County						8.30%	223.93

RECEIVED  
NOV 14 2011  
KCC WICHITA

**We Appreciate Your Business!**

**Total**

\$5,871.60



CHARGE TO: **PALOMINO PETROLEUM**  
 ADDRESS:  
 CITY, STATE, ZIP CODE:

TICKET N<sup>o</sup> 22260

PAGE 1 OF 1

SERVICE LOCATIONS: 1. **NESS CITY, KS.**  
 WELL/PROJECT NO.:  
 LEASE: **VULCANORE CATTLE CO.**  
 COUNTY/PARISH: **SCOTT**  
 STATE: **KS**  
 CITY: **GREIGSTON, KS**  
 DATE: **6 SEP 11**  
 OWNER:  
 TICKET TYPE:  SERVICE  SALES  
 CONTRACTOR: **DS & W WELL SERV**  
 RIG NAME/NO.:  
 SHIPPED VIA:  
 DELIVERED TO: **LOCATION**  
 ORDER NO.:  
 WELL TYPE: **OIL**  
 WELL CATEGORY: **DEVELOPMENT**  
 JOB PURPOSE: **CEMENT PORT COLLAR**  
 WELL PERMIT NO.:  
 WELL LOCATION: **6W, 7S, E 1/4**  
 REFERRAL LOCATION:  
 INVOICE INSTRUCTIONS:

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.	U/M	QTY.	U/M	UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
575		1			MILEAGE #110	65	MIL			6.00	390.00
576D		1			Pump CHARGE	1	JOB			1250.00	1250.00
105		1			PORT COLLAR OPENING TOOL	1	JOB			350.00	350.00
290		1			D-AIR	1 1/2	gal			35.00	52.50
276		1			FLOCELE	34	lbs			2.00	68.00
330		1			SWIFT MULTI DENSITY	135	sx			16.50	2227.50
581		1			SERVICE CHARGE CEMENT	250	sx			2.00	500.00
583		1			DRAYAGE	24913	lbs	809.67	TM	1.00	809.67

RECEIVED  
 NOV 14 2011  
 KCC WICHITA

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MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

x *Paul Shaver*  
 DATE SIGNED: **6 SEP 11** TIME SIGNED: **1545**  A.M.  P.M.

REMIT PAYMENT TO:  
 SWIFT SERVICES, INC.  
 P.O. BOX 466  
 NESS CITY, KS 67560  
 785-798-2300

SURVEY	AGREE	UN-DECIDED	DIS-AGREE	PAGE TOTAL
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				5647.67
WE UNDERSTOOD AND MET YOUR NEEDS?				
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				
ARE YOU SATISFIED WITH OUR SERVICE?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO			
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND				
Scott TAX 8.3%				223.93
TOTAL				5871.60

**CUSTOMER ACCEPTANCE OF MATERIALS AND SERVICES** The customer hereby acknowledges receipt of the materials and services listed on this ticket.

SWIFT OPERATOR: *Anna E. Kuchta*

APPROVAL:

Thank You!

JOB LOG

SWIFT Services, Inc.

DATE 70 SEP 11 PAGE NO.

CUSTOMER WALDMAN PETROLEUM WELL NO. LEASE VULGAMBRE CATTLE CO. JOB TYPE CEMENT PORT COLLAR TICKET NO. 22260

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1345							ON LOCATION
								PORT COLLAR @ 22510'
	1440				✓		1000	TEST - HELD
	1442	3			✓		500	OPEN PORT COLLAR TAKE INJECTION RATE.
	1445	4	75	✓		800		MIX 135SX SMD
		3 1/2	7 1/2	✓		600		DISPLACE CEMENT
								CIRCULATE 20 SX TO PIT
	1507				✓		1000	CLOSE PORT COLLAR - TEST - HELD
	1513							RUN 4 STS.
	1516	3	20		✓		400	REVERSE CEMENT OUT
	1525							WASH TRUCK
								RECEIVED
	1545							NOV 14 2011
								KCC WICHITA
								JOB COMPLETE
								THANKS #110
								JASON JEFF LANE

# SWIFT



**Services, Inc.**

P. O. Box 466  
Ness City, KS 67560  
Off: 785-798-2300



## Invoice

DATE	INVOICE #
8/29/2011	21081

BILL TO
Palomino Petroleum Inc. 4924 S E 84th Street Newton, KS 67114-8827

RECEIVED • Acidizing  
SEP 01 2011 • Cement  
• Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1-24	Vulgamore C...	Scott	WW Drilling #2	Oil	Development	Cement LongStri...	Blaine
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				60	Miles	6.00	360.00
578D-L	Pump Charge - Long String				1	Job	1,500.00	1,500.00
402-5	5 1/2" Centralizer				13	Each	70.00	910.00T
403-5	5 1/2" Cement Basket				4	Each	250.00	1,000.00T
404-5	5 1/2" Port Collar				1	Each	2,400.00	2,400.00T
406-5	5 1/2" Latch Down Plug & Baffle				1	Each	250.00	250.00T
407-5	5 1/2" Insert Float Shoe With Auto Fill				1	Each	350.00	350.00T
419-5	5 1/2" Rotating Head Rental				1	Each	200.00	200.00T
330	Swift Multi-Density Standard (MIDCON II)				125	Sacks	16.50	2,062.50T
325	Standard Cement				125	Sacks	13.50	1,687.50T
284	Calseal				6	Sack(s)	35.00	210.00T
283	Salt				650	Lb(s)	0.20	130.00T
285	CFR-1				50	Lb(s)	4.00	200.00T
276	Flocele				50	Lb(s)	2.00	100.00T
290	D-Air				3	Gallon(s)	35.00	105.00T
281	Mud Flush				500	Gallon(s)	1.25	625.00T
221	Liquid KCL (Clayfix)				2	Gallon(s)	25.00	50.00T
581D	Service Charge Cement				250	Sacks	2.00	500.00
583D	Drayage				765.39	Ton Miles	1.00	765.39
	Subtotal							13,405.39
	Sales Tax Scott County						8.30%	853.24

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**We Appreciate Your Business!**

**Total**

\$14,258.63



CHARGE TO: Palamino Petroleum  
 ADDRESS:  
 CITY, STATE, ZIP CODE:

TICKET  
21081

PAGE 1 OF 2

SERVICE LOCATIONS: 1. Ness City KS WELL/PROJECT NO. 1-24 LEASE Vulgamore Cattle Co COUNTY/PARISH Scott STATE KS CITY Scott City DATE 29 AUG 11 OWNER  
 2. TICKET TYPE  SERVICE  SALES CONTRACTOR ww RIG NAME/NO. 2 SHIPPED VIA CT DELIVERED TO location ORDER NO.  
 3. WELL TYPE o.i WELL CATEGORY Development JOB PURPOSE cement long string WELL PERMIT NO. WELL LOCATION 24-195-324  
 4. REFERRAL LOCATION INVOICE INSTRUCTIONS

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		UNIT PRICE		AMOUNT
		LOC	ACCT	DF		QTY.	U/M	QTY.	U/M	
575		1			MILEAGE TRK 114	60	mi	6	00	360.00
578		1			Pump Charge	1	ea	1500	00	1500.00
402		1			Centralizer	5 1/2	in	13	ea	910.00
403		1			Cement Basket	3 1/2	in	4	ea	1000.00
404		1			Poet Collar	5 1/2	in	1	ea	2400.00
406		1			latch down plug & baffle	5 1/2	in	1	ea	250.00
407		1			insert float shoe w/AUTO FILL	5 1/2	in	1	ea	350.00
419		1			Rotating head Rental	5 1/2	in	1	ea	200.00

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**LEGAL TERMS:** Customer hereby acknowledges and agrees to the terms and conditions on the reverse side hereof which include, but are not limited to, **PAYMENT, RELEASE, INDEMNITY, and LIMITED WARRANTY** provisions.

MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

DATE SIGNED TIME SIGNED  A.M.  P.M.

REMIT PAYMENT TO:  
 SWIFT SERVICES, INC.  
 P.O. BOX 466  
 NESS CITY, KS 67560  
 785-798-2300

SURVEY	AGREE	UN-DECIDED	DIS-AGREE	PAGE TOTAL 1	6970.00
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				2	6435.39
WE UNDERSTOOD AND MET YOUR NEEDS?				sub total	13405.39
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				TAX	853.24
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				TOTAL	14,258.63
ARE YOU SATISFIED WITH OUR SERVICE?	<input type="checkbox"/> YES <input type="checkbox"/> NO		<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND		

**CUSTOMER ACCEPTANCE OF MATERIALS AND SERVICES** The customer hereby acknowledges receipt of the materials and services listed on this ticket.

SWIFT OPERATOR: [Signature] APPROVAL: [Signature] Thank You!



JOB LOG

SWIFT Services, Inc.

DATE 29 AUG 11 PAGE NO.

CUSTOMER Palermo Petroleum WELL NO. 1-24 LEASE Vulcan Cattle Co. JOB TYPE cement long string TICKET NO. 21081

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
								125 sbs SMD w/ 1/4" floccle
								125 sbs SA-2 w/ 1/4" floccle
								Centralizers 24, 5, 7, 10, 12, 13, 14, 16, 17, 18, 63
								Basket 6, 13, 19, 64 Partolka #64 2256'
								118 ft 5 1/2" 14" casing (set @ 4939' - 10' off bottom)
								shoet 33.85'
	1615							on loc TRK 114
	1810							start 5 1/2" 14" casing in well
	2020							Drop ball - circulate - ROTATE
	2120	4 3/4	12				208	Pump 500 gal mid flush
		4 3/4	20				200	Pump 20 bbl KCL floccle
			7					Plug RH - MH <u>30 sbs</u> <del>20 sbs</del>
	2130							RECEIVED NOV 14 2011 mix SMD cement @ 12.7 ppg <u>75 sbs</u>
	2145							KCC WICHITA mix SA-2 cement @ 15.3 ppg <u>125 sbs</u>
	2150							Drop latch down plug
								Wash pump & line
	2155	6 3/4					200	Displace plug
		6 3/4	115				950	
	2215	6 3/4	120				1600	Land Plug
								Release pressure to truck - dried up
								wash truck
								Rack up
								job complete
								Thanks Rob D... Blaine





**CONSOLIDATED**  
Oil Well Services, LLC

**REMIT TO**  
Consolidated Oil Well Services, LLC  
Dept. 970  
P.O. Box 4346  
Houston, TX 77210-4346

MAIN OFFICE  
P.O. Box 884  
Chanute, KS 66720  
620/431-9210 • 1-800/467-8676  
FAX 620/431-0012

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INVOICE

Invoice # 243679

Invoice Date: 08/29/2011 Terms: 15/15/30,n/30 Page 1

PALOMINO PETROLEUM, INC.  
4924 SE 84TH STREET  
NEWTON KS 67114-8827  
( ) -

VULSAMORE CATTLE CO #1  
28176  
24-19-32  
08-20-11  
KS

Part Number	Description	Qty	Unit Price	Total
1104S	CLASS "A" CEMENT (SALE)	160.00	16.8000	2688.00
1102	CALCIUM CHLORIDE (50#)	451.00	.8400	378.84
1118B	PREMIUM GEL / BENTONITE	301.00	.2400	72.24

Sublet Performed	Description	Total
9999-130	CASH DISCOUNT	-470.86
9999-130	CASH DISCOUNT	-280.35

Description	Hours	Unit Price	Total
439 TON MILEAGE DELIVERY	375.95	1.58	594.00
463 CEMENT PUMP (SURFACE)	1.00	1025.00	1025.00
463 EQUIPMENT MILEAGE (ONE WAY)	50.00	5.00	250.00

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Amount Due 5268.62 if paid after 09/28/2011

Parts:	3139.08	Freight:	.00	Tax:	221.46	AR	4478.33
Labor:	.00	Misc:	.00	Total:	4478.33		
Sublt:	-751.21	Supplies:	.00	Change:	.00		

Signed \_\_\_\_\_ Date \_\_\_\_\_



**CONSOLIDATED**  
Oil Well Services, LLC

TICKET NUMBER 28176

LOCATION Oakley

FOREMAN Fuzz4

PO Box 884, Chanute, KS 66720  
620-431-9210 or 800-467-8676

**FIELD TICKET & TREATMENT REPORT**

**CEMENT**

KS

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
8-20-11	6285	Walsamore Cat #1	24	19	32	Sro #
CUSTOMER Palomino Petroleum			50th city			
MAILING ADDRESS			SE			
CITY			75			
STATE			ex			
ZIP CODE			min			
TRUCK #	DRIVER	TRUCK #	DRIVER			
463	Josh G					
439	Kody R					

JOB TYPE Surface HOLE SIZE 12 1/4 HOLE DEPTH 219' CASING SIZE & WEIGHT 8 5/8 23#  
 CASING DEPTH 219' DRILL PIPE \_\_\_\_\_ TUBING \_\_\_\_\_ OTHER \_\_\_\_\_  
 SLURRY WEIGHT 15.2 SLURRY VOL 1-34 WATER gal/sk 6.5 CEMENT LEFT in CASING 15'  
 DISPLACEMENT 12.6 DISPLACEMENT PSI \_\_\_\_\_ MIX PSI \_\_\_\_\_ RATE \_\_\_\_\_

REMARKS: Safety meeting on w-w #2 Rig up + circulate  
Mix 160 sks class A 390cc 29 gal. Displace  
12.6 BBHs and shut in. Cement did circulate  
approx 5 BBHs to pit

Thanks Fuzz4  
E crew

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
54015	1	PUMP CHARGE	1025 <sup>00</sup>	1025 <sup>00</sup>
5406	50	MILEAGE	5 <sup>00</sup>	250 <sup>00</sup>
5407A	7.52 ton	Ton mileage Delivery	158	594 <sup>00</sup>
11045	160 sks	CLASS A cement	1680	2688 <sup>00</sup>
1102	451 #	Calcium Chloride	.84	378 <sup>84</sup>
1118B	301 #	Bentonite	.24	72 <sup>24</sup>
NOV 14 2011				
KCC WICHITA				
			subtotal	5008 <sup>08</sup>
			less 15% disc	751 <sup>21</sup>
				4256.87
			8-3%	SALES TAX
				221.46
				ESTIMATED
				TOTAL
				4478.33

Ravin 3737

AUTHORIZATION

*[Signature]*

TITLE

043619

DATE

I acknowledge that the payment terms, unless specifically amended in writing on the front of the form or in the customer's account records, at our office, and conditions of service on the back of this form are in effect for services identified on this form.

**RICKETTS TESTING**

(620) 326-5830

Company **Palomino Petroleum, Inc.**  
 Address **4924 SE 84th Street**  
 CSZ **Newton, KS 67114**  
 Attn. **Nick Gerstner**

Lease Name **Vulgamore Cattle Company**  
 Lease # **1**  
 Legal Desc **NE SW SE NW** Job Ticket **3443**  
 Section **4** Range **32W**  
 Township **19S**  
 County **Scott** State **KS**  
 Drilling Cont **W W Drilling #2**

Comments **Field: Unnamed**

**GENERAL INFORMATION**

Test # **1** Test Date **8/24/2011**  
 Tester **Jimmy Ricketts**  
 Test Type **Conventional Bottom Hole**  
**Successful Test**

Chokes **3/4** Hole Size **7 7/8**  
 Top Recorder # **w1022**  
 Mid Recorder #  
 Bott Recorder # **13767**

# of Packers **2.0** Packer Size **6 3/4**

Mileage **238** Approved By

Mud Type **Gel Chem**  
 Mud Weight **9.2** Viscosity **65.0**  
 Filtrate **8.8** Chlorides **2500**

Standby Time **2**  
 Extra Equipmnt **Jars & Safety Joint**  
 Time on Site **3:30 PM**  
 Tool Picked Up **8:30 PM**  
 Tool Layed Dwn **2:30 AM**

Drill Collar Len **124.0**  
 Wght Pipe Len **0**

Elevation **2983.00** Kelley Bushings **2988.00**

Formation **Lansing B, C, And D**  
 Interval Top **4002.0** Bottom **4060.0**  
 Anchor Len Below **58.0** Between **0**

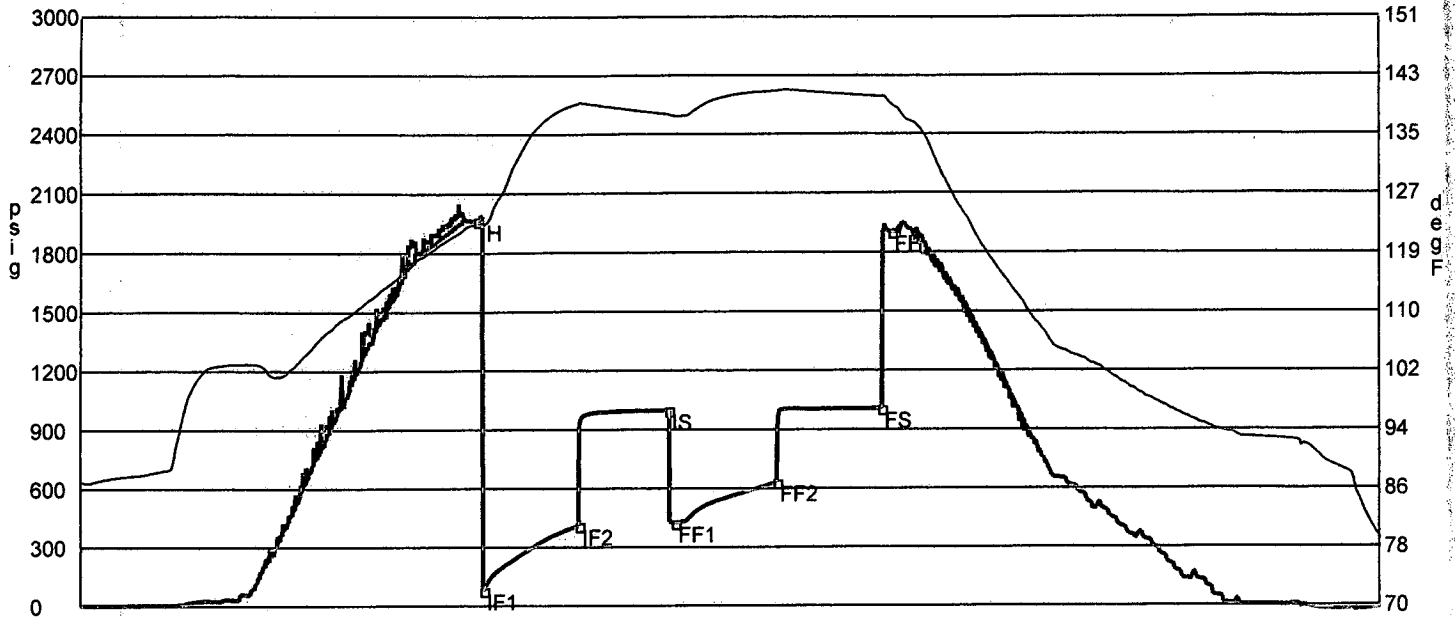
Start Date/Time **8/24/2011 8:12 PM**  
 End Date/Time **8/25/2011 3:05 AM**

Total Depth **4060.0**  
 Blow Type **Weak blow building to strong blow 7 minutes into initial flow period. Weak blow building to strong blow 7 minutes into final flow period. Times: 30, 30, 34, 34.**

**RECOVERY**

Feet	Description	RECEIVED		Gas	Oil	Water	Mud
490	Heavy water cut mud with trace oil	NOV 14 2011 KCC WICHITA		0% 0ft	trace	29% 142.1ft	71% 347.9ft
300	Heavy mud cut water with trace oil			0% 0ft	trace	62% 186ft	38% 114ft
700	Salt water with trace oil			0% 0ft	trace	100% 700ft	0% 0ft

DST Fluids **30000**



	Date	Time	Pressure	Temp	
IH	8/24/2011 10:16:45 PM	2.079167	1963.56	122.551	Initial Hydro-static
IF1	8/24/2011 10:18:45 PM	2.1125	79.63	122.511	Initial Flow (1)
IF2	8/24/2011 10:49:15 PM	2.620833	409.259	139.025	Initial Flow (2)
IS	8/24/2011 11:18:00 PM	3.1	996.919	137.544	Initial Shut-In
FF1	8/24/2011 11:20:00 PM	3.133333	423.213	137.307	Final Flow (1)
FF2	8/24/2011 11:52:45 PM	3.679167	631.459	140.743	Final Flow (2)
FS	8/25/2011 12:26:15 AM	4.2375	1005.681	139.987	Final Shut-In
FH	8/25/2011 12:29:30 AM	4.291667	1900.69	138.976	Final Hydro-static

**GAS FLOWS**

Min Into IFP   Min Into FFP   Gas Flows   Pressure   Choke

RECEIVED  
 NOV 14 2011  
 KCC WICHITA

**RICKETTS TESTING**

(620) 326-5830

Company	Palomino Petroleum, Inc.	Lease Name	Vulgamore Cattle Company	
Address	4924 SE 84th Street	Lease #	1	
CSZ	Newton, KS 67114	Legal Desc	NE SW SE NW	Job Ticket 3443
Attn.	Nick Gerstner	Section	4	Range 32W
		Township	19S	
		County	Scott	State KS
		Drilling Cont	W W Drilling #2	
Comments	Field: Unnamed			

**GENERAL INFORMATION**

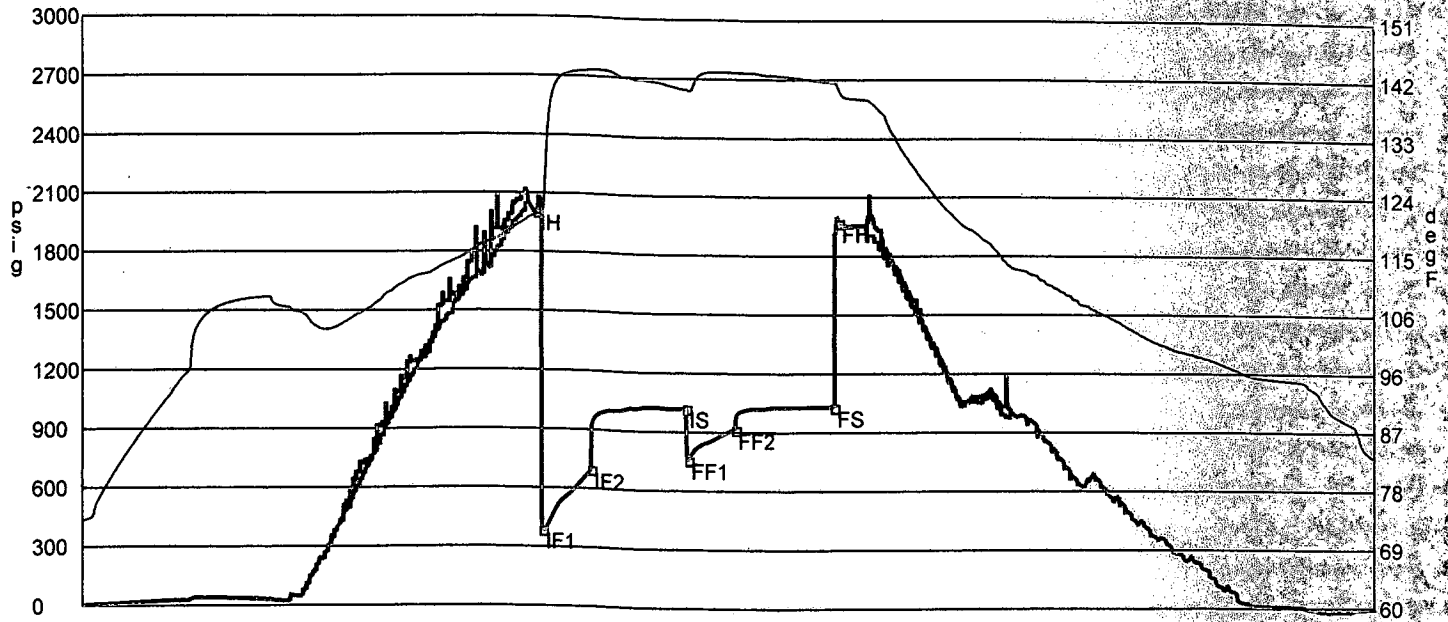
Test # 2	Test Date 8/25/2011	Chokes 3/4	Hole Size 7 7/8
Tester Jimmy Ricketts		Top Recorder # w1022	
Test Type Conventional Bottom Hole		Mid Recorder #	
Successful Test		Bott Recorder # 13767	
# of Packers 2.0	Packer Size 6 3/4	Mileage 26	Approved By
Mud Type Gel Chem		Standby Time 0	
Mud Weight 9.2	Viscosity 53.0	Extra Equipmnt Jars & Safety Joint	
Filtrate 8.0	Chlorides 2200	Time on Site 3:00 PM	
		Tool Picked Up 4:00 PM	
		Tool Layed Dwn 10:00 PM	
Drill Collar Len 124.0		Elevation 2983.00	Kelley Bushings 2988.00
Wght Pipe Len 0			
Formation Lansing F & G		Start Date/Time 8/25/2011 3:41 PM	
Interval Top 4102.0	Bottom 4151.0	End Date/Time 8/25/2011 10:13 PM	
Anchor Len Below 49.0	Between 0		
Total Depth 4151.0			
Blow Type	Strong blow throughout initial flow period. Strong blow throughout final flow period. Times: 15, 30, 15, 30.		

**RECOVERY**

Feet	Description	Gas	Oil	Water	Mud
250	Water cut mud trace oil	0% 0ft	trace	13% 32.5ft	87% 217.5ft
320	Mud cut water trace oil	0% 0ft	trace	89% 284.8ft	11% 35.2ft
1450	Salt water	0% 0ft	0% 0ft	100% 1450ft	0% 0ft

DST Fluids 310000

RECEIVED  
 NOV 14 2011  
 KCC WICHITA



	Date	Time	Pressure	Temp	
IH	8/25/2011 5:57:00 PM	2.266667	2006.322	120.382	Initial Hydro-static
IF1	8/25/2011 5:58:50 PM	2.297222	387.807	120.964	Initial Flow (1)
IF2	8/25/2011 6:14:00 PM	2.55	697.317	142.831	Initial Flow (2)
IS	8/25/2011 6:43:20 PM	3.038889	1022.658	140.22	Initial Shut-In
FF1	8/25/2011 6:44:00 PM	3.05	759.725	140.026	Final Flow (1)
FF2	8/25/2011 6:58:30 PM	3.291667	917.405	142.886	Final Flow (2)
FS	8/25/2011 7:29:00 PM	3.8	1030.526	141.442	Final Shut-In
FH	8/25/2011 7:30:30 PM	3.825	1970.2	140.41	Final Hydro-static

GAS FLOWS

Min Into IFP    Min Into FFP    Gas Flows    Pressure    Choke

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 NOV 14 2011  
 KCC WICHITA

**RICKETTS TESTING**

(620) 326-5830

Page 1

Company	<b>Palomino Petroleum, Inc.</b>	Lease Name	<b>Vulgamore Cattle Company</b>
Address	<b>4924 SE 84th Street</b>	Lease #	<b>1</b>
CSZ	<b>Newton, KS 67114</b>	Legal Desc	<b>NE SW SE NW</b>
Attn.	<b>Nick Gerstner</b>	Section	<b>4</b>
		Township	<b>19S</b>
		County	<b>Scott</b>
		Drilling Cont	<b>W W Drilling #2</b>
Job Ticket		Range	<b>32W</b>
State			<b>KS</b>

Comments    **Field: Unnamed**

**GENERAL INFORMATION**

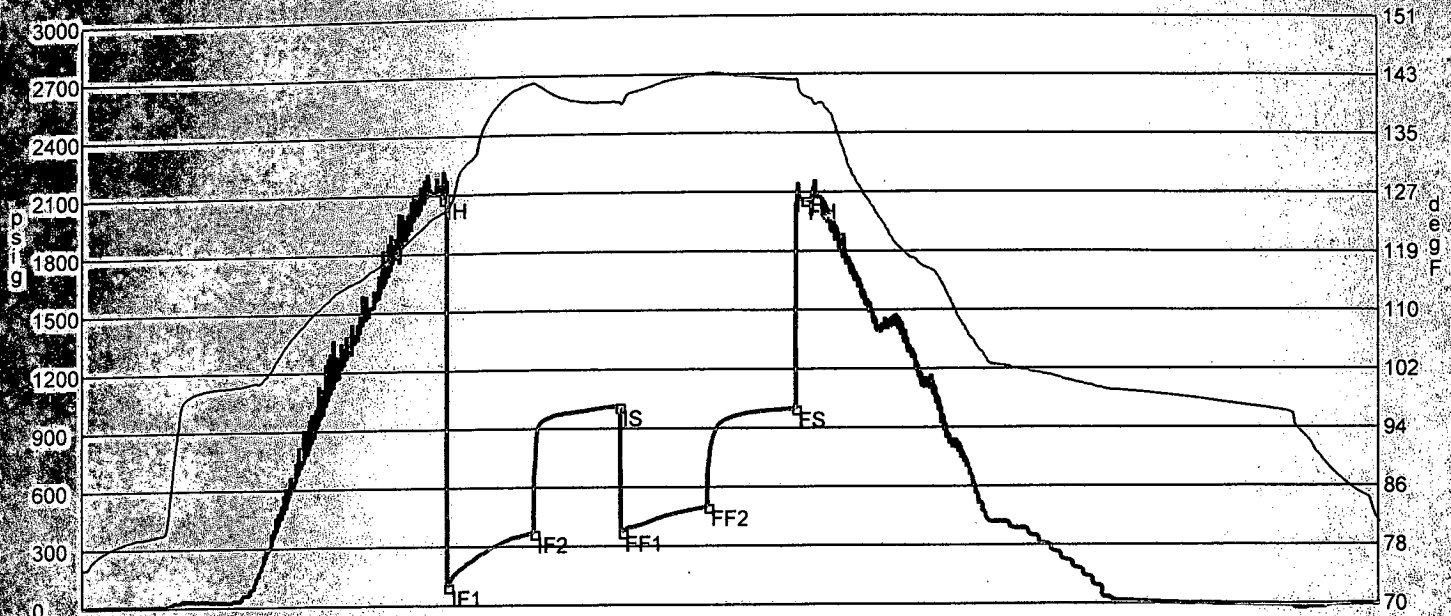
Test # <b>3</b>	Test Date <b>8/26/2011</b>	Chokes <b>3/4</b>	Hole Size <b>7 7/8</b>
Tester <b>Jimmy Ricketts</b>		Top Recorder # <b>w1022</b>	
Test Type <b>Conventional Bottom Hole</b>		Mid Recorder #	
		Bott Recorder # <b>13767</b>	
# of Packers <b>2.0</b>	Packer Size <b>6 3/4</b>	Mileage <b>26</b>	Approved By
		Standby Time <b>0</b>	
Mud Type <b>Gel Chem</b>		Extra Equipmnt <b>Jars &amp; Safety Joint</b>	
Mud Weight <b>9.2</b>	Viscosity <b>51.0</b>	Time on Site <b>5:30 PM</b>	
Filtrate <b>8.0</b>	Chlorides <b>2500</b>	Tool Picked Up <b>7:00 PM</b>	
		Tool Layed Dwn <b>2:00 AM</b>	
Drill Collar Len <b>124.0</b>		Elevation <b>2983.00</b>	Kelley Bushings <b>2988.00</b>
Wght Pipe Len <b>0</b>			
Formation <b>Lansing K &amp; L</b>		Start Date/Time <b>8/26/2011 6:41 PM</b>	
Interval Top <b>4270.0</b>	Bottom <b>4355.0</b>	End Date/Time <b>8/27/2011 2:06 AM</b>	
Anchor Len Below <b>85.0</b>	Between <b>0</b>		
Total Depth <b>4355.0</b>			
Blow Type <b>Weak blow building to strong blow 5 minutes into initial flow period. Weak blow building to strong blow 9 minutes into final flow period. Times: 30, 30, 30, 30.</b>			

**RECOVERY**

Feet	Description	Gas	Oil	Water	Mud
160	Gas in pipe	100% 160ft	0% 0ft	0% 0ft	0% 0ft
30	Water and heavy mud cut oil	0% 0ft	63% 18.9ft	13% 3.9ft	24% 7.2ft
625	Gassy water and heavy oil cut mud	22% 137.5ft	30% 187.5ft	16% 100ft	32% 200ft
440	Gassy oil and heavy mud cut water	2% 8.8ft	10% 44ft	60% 264ft	28% 123.2ft

DST Fluids    **31000**

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**NOV 14 2011**  
**KCC WICHITA**



	Date	Time	Pressure	Temp	
IH	8/26/2011 8:44:40 PM	2.061111	2079.203	124.286	Initial Hydro-static
IF1	8/26/2011 8:46:10 PM	2.086111	95.735	124.456	Initial Flow (1)
IF2	8/26/2011 9:15:50 PM	2.580556	366.547	141.927	Initial Flow (2)
IS	8/26/2011 9:45:20 PM	3.072222	1012.382	139.202	Initial Shut-In
FF1	8/26/2011 9:46:10 PM	3.086111	371.265	138.838	Final Flow (1)
FF2	8/26/2011 10:15:40 PM	3.577778	499.271	143.009	Final Flow (2)
FS	8/26/2011 10:46:00 PM	4.083333	999.173	142.05	Final Shut-In
FH	8/26/2011 10:49:20 PM	4.138889	2059.085	139.865	Final Hydro-static

GAS FLOWS

Min Into IFP   Min Into FFP   Gas Flows   Pressure   Choke

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 KCC WICHITA